



Miami-Dade County Board of County Commissioners

Office of the Commission Auditor

**Legislative Analysis**

**Community Empowerment and Economic  
Revitalization Committee**

Tuesday, February 14, 2006  
2:00 PM  
Commission Chamber

Charles Anderson, CPA  
Commission Auditor

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**Miami-Dade County Board of County Commissioners  
Office of the Commission Auditor**

**Legislative Analysis**

**Community Empowerment & Economic Revitalization Committee  
Meeting Agenda**

**Tuesday, February 14, 2006**

Written analyses for the below listed items are attached for your consideration in this Legislative Analysis.

**Item Number(s)**

2(B)	2(C)
4(B)	

If you require further analysis of these or any other agenda items, please contact Guillermo Cuadra, Chief Legislative Analyst, at (305) 375-5469.

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**LEGISLATIVE ANALYSIS**

***RESOLUTION RELATING TO BINDING ARBITRATION DISPUTES FOR CSBE CLAIMS.***

Commissioner Dennis C. Moss

**I. SUMMARY**

This resolution requires the County Manager to develop language to be included in all future prime contracts subject to the Certified Small Business Enterprises (CSBE) ordinance stipulating that all disputed billings from CSBE firms be submitted to final, binding arbitration for resolution.

- This item would apply to all future County and Public Health Trust contracts.

**II. PRESENT SITUATION**

The Community Small Business Enterprise program, as defined by Section 10-33.02 of the Code of Miami-Dade County, is a gender/race neutral program for firms that are defined as independent construction companies that meet the following criteria:

- Not exceeding 3 year average gross receipts of \$5 million for general building (NAICS 233/SIC 15), \$3 million for heavy construction contractors (NAICS 234/SIC 16), and \$2.5 million for specialty trade contractors (NAICS 235, SIC 17);
- Qualified by an owner with at least 10% of the firm's issued stock;
- Owned by person(s) whose combined Personal Net Worth does not exceed \$750,000.
- Located and performing a commercially useful function in Miami-Dade County.

To date, 333 businesses are certified as CSBEs. There are 1,393 construction projects that are open and are awarded to certified CSBE firms in Miami-Dade County.

Currently, when a billing dispute arises between a prime contractor and a sub contractor, the subcontractor goes through the claims consultant process administered by the Department of Business Development. The claims consultant, Broadlands Financial Group, LLC, helps prepare the CSBE to enter into negotiation with the prime contractor and, if the need arises, also provides legal representation for the CSBE.

The claims consultant process was developed per Resolution 119-06, which was sponsored by Commissioner Rolle. R-119-06 was intended to address the increasing number of disputed claims from CSBEs working on the North Terminal Development project at Miami-International Airport. Currently, 24 CSBEs have gone through the NTD Claims resolution process.

Broadlands Financial Group, LLC, has also begun to review and resolve outstanding CSBE claims from other construction projects around the county. The consultant has been hired under a two-year contract.

### **III. POLICY CHANGE AND IMPLICATION**

All future County and Public Health Trust contracts which must adhere to the CSBE ordinance will specify that disputed billings from CSBE subcontractors shall be submitted to final, binding arbitration for resolution. Furthermore, if a dispute arises, the disputed amount will be placed in an escrow account pending final resolution of the arbitration.

The County Manager will report back to Board in 60 days with proposed language to be included in future CSBE contracts.

According to staff with the DBD, inclusion of this language to all future contracts could reduce the time that CSBE claims remain unresolved.

### **IV. ECONOMIC IMPACT**

This item will not have a financial impact on the County.

### **V. COMMENTS AND QUESTIONS**

**What is the total number of outstanding CSBE claims?**

A matrix detailing all of the outstanding disputed claims will be provided when this Item is before Board of County Commissioners.

**LEGISLATIVE ANALYSIS**

***ORDINANCE CREATING THE BISCAYNE CORRIDOR COMMUNITY REDEVELOPMENT AGENCY.***

Commissioner Sally A. Heyman

**I. SUMMARY**

This item creates a citizen board of commissioners to oversee the Biscayne Corridor Community Redevelopment Agency, and sets the qualifications, duties and powers of the board.

**II. PRESENT SITUATION**

On July 21, 1998 the Board of County Commissioners approved resolution R-609-05, declaring portions of Miami-Dade County, known as the Biscayne Corridor, as slum and blighted and found that there was a need to create a community redevelopment agency to oversee the redevelopment of this area. The area is bounded on the North by NE 112 Street, on the East by Biscayne Boulevard, on the South by NE 112 Street, and on the West by NE 12 Avenue.

**III. POLICY CHANGE AND IMPLICATION**

This ordinance creates a citizen-controlled board of commissioners for the 7<sup>th</sup> Avenue CRA, which replaces the Board of County Commissioners as the administering agency. According to this ordinance:

- The board shall comprise seven members who serve 4 year terms; three of the members first appointed will serve one, two, and three years, respectively.
- Commissioners will not be compensated but could be reimbursed for travel and other charges incurred while carrying out their official duties.
- All expenditures of the CRA must be approved by the Board of County Commissioners.

The Board of County Commissioners must adopt a separate resolution to appoint the commissioners of the CRA.

**IV. ECONOMIC IMPACT**

Community Redevelopment Agencies are financed by tax-increment proceeds.

**V. COMMENTS AND QUESTIONS**

None.

## **LEGISLATIVE ANALYSIS**

*ITEM 4 (B) RESOLUTION RATIFYING THE COUNTY MANAGER'S ACTION IN EXECUTING CHANGE ORDER NO. 2 TO THE AGREEMENT BETWEEN MIAMI-DADE COUNTY AND CENTEX CONSTRUCTION, LLC., TO INCREASE THE CONTRACT TIME.*

Seaport Department

### **I. SUMMARY**

This resolution ratifies the County Manager's administrative actions in executing Change Order No. 2 to the Agreement between Miami-Dade County and Centex Construction, LLC., ("Centex"). Change Order No. 2 pertains to an extension of time only.

### **II. PRESENT SITUATION**

Pursuant to the Expedite Ordinance No. 00-104, a contract was awarded to Centex to construct the following projects at the Port of Miami:

- Marine and Mooring Improvements;
- Crane Electrification;
- Container Yard Improvements; and
- Lease Improvements to Cruise Terminal 7.

The contract sum for all of the above components including, contingency, permits and owner's allowances, IPSIG and IG fees, totaled \$42,441,278.

### **III. POLICY IMPLICATIONS**

This resolution ratifies the County Manager's administrative actions made pursuant to Section 9.3 of the Miami-Dade County Code, not through expedite ordinance procedures.

### **IV. ECONOMIC IMPACT**

Centex will be compensated in the amount of \$626,844.00 due to non-contractor cause and compensable delay. However, Centex reserves the right to future claims of up to \$1 million detailed in Attachment 1 of Change Order No. 2.

### **V. COMMENTS AND QUESTIONS**

- In the November 8, 2005 CEERC Meeting the Director of the Seaport presented an oral status report regarding the PSA with Centex noting that a change order extending the completion date for an additional 60 days was forthcoming;
- On November 11, 2005, the County Manager administratively executed Change Order No. 1 increasing the contract time 60 days to January 22, 2006;
- This Item ratifies Change Order No. 2 which extends the Contract an additional 60 days to March 22, 2006;
- Additional change orders are forthcoming reducing the scope of the project.